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NEWS SUMMARY

GENERAL

Five killed as Ulster rupts

Police and a Ulster Regiment member among five people killed in separate incidents in the north last night.

A policeman died when a car was hit by a truck in a police area in Belfast. A police officer was injured in a collision with a car in the same area.

A man Mr. John Arrell, 45, of Co. Londonderry, was killed when a car was hit by a truck in a police area in Belfast.

A garage worker at English, Tyrone, was killed when a car was hit by a truck in a police area in Belfast.

A man was found shot dead in a car in a police area in Belfast.

BUSINESS

Bullion rise aids gold shares

GOLD MINES shares continued to recover following the fresh rally in bullion. The Gold Mines index put on 7.1 to 212.1, a two-day rise of 15.

GILTS gave ground, but early losses were pared to about 1 at the close. The Government Securities index eased 0.14 to 62.36. EQUITIES steadied after Wednesday's setback, but

Liberal role in embargo eased

Recommendations of the Radcliffe Committee on Ministerial powers have been accepted in principle by the Government, the Minister said. As a result, the 30-year secrecy rule will be cut to 15 years. Ministers in future have to sign a declaration that they accept the code. The committee considers the Crossman diaries for publication. Information about servants who are still pursuing their careers. Parliament.

U.K. car output falls 17 per cent.

U.K. CAR OUTPUT fell last year by 17 per cent, commercial vehicle production was down 6 per cent. Within the industry, Ford is raising prices by 5 per cent. Page 7, and introduces will meet staunch opposition from Ministers and employers. Some other union leaders who are determined to design a flexible pay limit which would help to restore pay differentials and provide rewards for increased output and efficiency. But there are still some who believe that the unexpectedly great success of the present 66-per cent limit based on a simple concept and that for this reason there is a case for continuing a flat rate into next winter. Mr. Jones will provide the first public backing for this view to-day when he tells an audience in Manchester that he will abandon the flat rate principle which has led to differences and divisions in the country. He will also add that many industrialists and workers would prefer to prolong the present policy for a period after August, indicating that he would prefer to see the 66-figure remain in place as a natural trade union negotiator's response to the recent statement of Mr. Denis Healey, Chancellor of the Exchequer, that the next inflation target must be lower than the present 10 per cent, and that the wage rise involved must total less than 66.

Insom paid

West End bank manager paid a £12,000 ransom last night after a telephone caller claimed to have kidnapped his daughter. Police said. Williams and his authorised manager who has the money in £5 and £10 notes to a safe in his home. Wells Theatre, Islington.

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Keeping to pay policy 'the key'

Price Commission sees more hope of slowing inflation

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

The Price Commission yesterday presented its most optimistic quarterly report to date with a forecast that if the £6 pay limit was honoured, the rate of inflation should continue to fall.

Sir Arthur Cockfield, chairman of the Commission and, until three months ago, one of the most pessimistic commentators on inflation, said the economic situation offered more hope now than it had for a long time. "There is now ample evidence that the rate of inflation is slowing down," he said.

Retailers back prices plan

The Retail Consortium yesterday finally agreed to the broad principles of the government's price controls in the private sector. The consortium, which will limit price rises on about 50 different product categories to 5 per cent in the six months from February 1. The CBI gave its support to the scheme on Wednesday on condition that the Retail Consortium also agreed.

Full details, Page 8

Jack Jones in bid to continue £6 limit

BY JOHN ELLIOTT, LABOUR EDITOR

A BID to stop the present 66 flat rate pay limit being replaced by a percentage rise next August is being launched to-day by Mr. Jack Jones, general secretary of the Transport and General Workers' Union and the main architect of the present pay policy.

This amounts to the first serious bid by a senior trade union leader to influence the course of the debate on the next stage of the pay policy which will take over from the 66. It will meet staunch opposition from Ministers and employers. Some other union leaders who are determined to design a flexible pay limit which would help to restore pay differentials and provide rewards for increased output and efficiency. But there are still some who believe that the unexpectedly great success of the present 66-per cent limit based on a simple concept and that for this reason there is a case for continuing a flat rate into next winter. Mr. Jones will provide the first public backing for this view to-day when he tells an audience in Manchester that he will abandon the flat rate principle which has led to differences and divisions in the country. He will also add that many industrialists and workers would prefer to prolong the present policy for a period after August, indicating that he would prefer to see the 66-figure remain in place as a natural trade union negotiator's response to the recent statement of Mr. Denis Healey, Chancellor of the Exchequer, that the next inflation target must be lower than the present 10 per cent, and that the wage rise involved must total less than 66.

Charter sells 'half' RTZ stake

BY KENNETH MARSTON, MINING EDITOR

CHARTER CONSOLIDATED, the London mining finance group, has sold 10m. shares of its holding in Rio Tinto-Zinc for £18.3m. by a placing on the London market.

The move coincides with news that development is to be suspended at the \$660m. (£325m.) Zaire copper project in which Charter has a 14 per cent stake. The company had been facing heavy financial commitments arising out of the temporary closure-down.

The £18.3m. raised by Charter compares with the company's market capitalisation of £183m. at last night's price of 175p. RTZ shares, of which there are 250m. in issue, closed at 196p against the 183p at which Charter's sale was made.

Charter is a major holder of shares in the other leading mining finance companies. The project is considered a sound proposition from a mining angle. Because of its high-grade copper ore it holds the potential of being a relatively low-cost producer of copper.

SWS will sue for Haw Par loan

BY MARGARET REID

A PROLONGED legal battle over Slater Walker Securities' disputed £14.5m. (£23m.) loan to the Singapore-based Haw Par Brothers International is now in prospect following Haw Par's decision yesterday to break off negotiations for a settlement.

SWS, whose new chairman, Mr. Jimmy Gold, left, spent a week in Singapore last month discussing the matter, is taking action through its Slater Walker hanking subsidiary to sue for the recovery of the loan. A writ is expected to be issued to-day.

The first instalment of £12.5m. (£20m.) on the loan fell due for repayment yesterday and was not paid. During the day, Mr. Goldsmith received a "cordial" telex message from Mr. Michael Fam, Haw Par's new chairman, indicating that the gap between the two sides was too large to be closed.

There is every expectation in London that, from its side, Haw Par, in whose handling of the matter the Singapore Government is taking a close interest, will itself institute legal proceedings, challenging the basis of the loan.

The loan was related to the controversial £46m. acquisition in 1973 of 46 per cent of Slater Walker Securities (Hong Kong) by the new firm SWS, which then held a large stake in Haw Par.

The impending court tussle, which may last a year, is likely to range extensively over the built-up and later disposal of the Far East empire of SWS, which was headed, until October, by Mr. Jim Slater.

Haw Par indicated in December that it challenged the legal basis of the loan, held that the associated SWS (HK) deal was not at arms' length because of the then link between SWS and Haw Par and criticised the price of the SWS (HK) purchase.

Asked last night whether non-payment of its £14.5m. loan for the new firm would mean serious problems for SWS, a spokesman said: "No, since we have taken the precautionary view of assuming that the money would not be paid on time." SWS shares closed 2p down at 26p yesterday.

Review

He will be appointed deputy chairman of Rank from March 30, 1976. He has already set up a small committee of directors to review the management structure of the company and "all aspects of the relationship between the executive functions of the company and the Board." The committee, with Mr. Smith as chairman, has as its other members Mr. Russell Evans, managing director; Sir Reay Goddard, Mr. C. R. Hamilton, and Lord Helsby.

When questioned about his previous decision to surrender executive functions—to former chief executive Mr. Graham Dowson, who quit the company last September following a bitter and highly publicised dispute—Sir John retorted: "I am resigning at the AGM in 1977. I shall be in the chair, the decision is irrevocable."

Asked if the dispute with Mr. Dowson had speeded the changes in the company's voting structure and management, Sir John said: "The Dowson affair slowed things down. It did not speed things up at all."

In his annual statement to shareholders Sir John will underline this point by stating that he asked the company's accountants Peat Marwick Mitchell to examine the voting structure "early last year," and discussed a memorandum by them with the principal shareholders in June. He will tell shareholders that he first approached Mr. Smith in June to ask him to become deputy chairman.

He disclosed that the composition of the Board had been changed to include two new executive directors, Mr. T. E. Chilton, managing director of Rank Leisure Services division, and Mr. J. B. Smith, managing director of Rank Audio Visual.

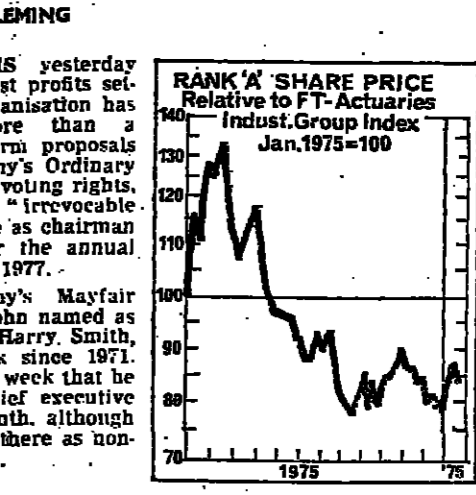
The proposals for enfranchising the non-voting shares have the support of the two largest

Davis to quit Rank post next year

BY STEWART FLEMING

SIR JOHN DAVIS yesterday announced the worst profits setback the Rank Organisation has reported for more than a decade, revealed firm proposals to give the company's Ordinary shareholders equal voting rights, and declared his "irrevocable intention" to retire as chairman of the group after the annual meeting in March 1977.

At the company's Mayfair headquarters Sir John named as his successor Mr. Harry Smith, a director of Rank since 1971. Mr. Smith said this week that he would retire as chief executive of Bridon next month, although he would continue there as non-executive chairman.



holders, the Rank Foundation and Eagle Star Insurance. The proposals are that holders of the voting shares on the register at the close of business on February 20, 1976, should receive 25 Ordinary shares already held. The effect will be to take control of the group from the Rank Foundation, which holds 53 per cent of the voting Ordinary shares but only about 10 per cent of the total issued Ordinary capital.

Asked if the Rank Foundation (which has been advised by Morgan Grenfell and Co.) would now consider selling part of its holding in the company, Mr. R. P. H. Cowan, chairman of the foundation, said: "This is now something which we have got to sit down and think about." Shareholders will be asked to approve the proposals at an extraordinary general meeting after the annual meeting on March 16.

An important effect of the enfranchisement of the "A" shares is that U.S. investors, who will control about 25.5 per cent of the capital when the proposals come into effect, will be able to influence the company's affairs directly.

'Traumatic'

Sir John said the company's trading in 1975 was "traumatic," and the results of Rank Radio International, which suffered an £11.7m. loss, "appalling." Some executives in this division did not respond as quickly as they should to changing conditions.

Group profits for the year to October 1975 were £22.4m. before tax, compared with £80.2m. last year. Ordinary shares fell 5p to 185p yesterday with "A" shares unchanged at 170p.

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£ in New York

	Jan. 22	Previous
Spot	\$202.25/25.50	\$202.00/25.50
1 month	206.00/25.50	205.00/25.50
3 months	208.00/25.50	207.00/25.50
6 months	210.00/25.50	209.00/25.50
12 months	212.00/25.50	211.00/25.50

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IEF PRICE CHANGES YESTERDAY

RISERS:	
TV 'A'	108 + 4
Hill Prop.	710 + 15
and Tawse	47 + 5
(Hill) Prop.	42 + 4
HL 'A'	21 + 3
363 + 6	
350 + 6	
350 + 10	
Concrete Mach.	22 + 3
Concrete Mach.	101 + 3
re & Garfin	142 + 4
Carbonsaur	314 + 5
Curry (L)	926 + 2
wood (R)	36 + 3
& Lyle	274 + 8
red Jersey	17 + 3
a Meg	240 + 6
ver	453 + 4

FALLS:	
Treasury 13% 1980	296 - 1
& Smithers	213 - 5
Bates (E)	39 - 6
British Northrop	100 - 5
Hallite	88 - 7
Hay's Wharf	89 - 6
INTL Computers	120 - 5
Johnson-Richards	223 - 10
Metall Box	270 - 7
Newarthill	81 - 4
Tuonel Higgs	184 - 4
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I Do! I Do!

by B. A. YOUNG

I don't see why there should be an empty seat at the loenix during the run of I Do! I Do! which only lasts two of the intellect, but there is most everything else. The subject is marriage, the age's favourite topic, and it ticks to that subject without vagation throughout the evening. It is sentimental, pretty to look at, not very tuncful but it of chirpy music by Harvey Hmdit. Its only two characters played by Rock Hudson, ery woman's imaginary lover, d Juliet Prowse, an enchanting medienne whom we haven't en in London for far too long. e intellect may safely be ven a night off. We have had this musical in adon before, and if I say I e better this time this is no fecton on Ian Carmichael and ne Rogers, who were the bus- nd wife before. The story, ich follows the course of a urriage from honeymoon, rough childbirth and child- sing, domestic rows, imminent andparenthood to end in a ion of contented old age, is nican in style and in detail oughout, and needs American yers (even if one of them is y American by marriage). Rock Hudson is no Barrymore. t he has a likeable stage easonality and has achieved pabilities his old-time fans may surprised to encounter. He gs tuncfully and puts over t only the words of his songs t the meaning of the words. e sound is electrically ampli- d of course but discreetly so; ring in Row G of the stalls the plication wasn't observable.) Hudson can even make a editable essay at eccentric



Yesterday the National Gallery's latest major acquisition was shown members of the Press, a gentle, intimate and most beautiful portrait Rembrandt, dating from around 1650. Its subject is reliably supposed be Hendrickje Stoffels, Rembrandt's mistress in his later years, by whom he had two children. The painting has been seen in public for 40 years, but has been on the National Gallery's list of desiderata, those works that would wish to acquire rather than see leave the country. The terms which this particular copy has been achieved remain confidential, t the price is said to be far below that which a work of such knowledge importance would command on the open market. But sum paid to the vendor, the Walter Morrison Pictures Settlement, net, with no liability to the Revenue, nor to agents and auctioneers, has been found entirely within existing resources. The condition of the painting is excellent, requiring no more than retouching and the removal of heavy varnish applied in the last tury. It will be refired, however, which is the Gallery's policy in ch cases, and this will take some time. This splendid picture, there- e, is expected to reappear in early April, as good as new.

Laing calendar paintings 1976
The annual Laing Painting npetition, whose winners' ntings are bought for the n's calendars, has been n this year by Tom flor with a landscape, *Les ur de Provence*. Two second rs were given, to Paul eth of London, and Mrs. re-Jessop, of Winchester, and e fourths, to Michael Noakes, t Mrs. Valentine Hoar. There re over 300 entries, and a ction of 67 of the best of m is to be seen at the Mall leries in The Mall.

The Boston Symphony Orchestra in London
The Boston Symphony Orchestra will give two concerts in London as part of their Bi-centennial European tour, sponsored by Colgate-Palmolive. On Sunday, March 7 Arthur Fiedler will conduct the Boston Pops at the Albert Hall in a programme of popular music. On Monday, March 8 Seiji Ozawa will conduct the orchestra at the Festival Hall in a programme that will include the Fourth Symphony of Charles Ives and Brahms's First Symphony.

A rare and remarkable El Greco. At the Royal Academy.



1550-1700, The Golden Age of Spanish Painting - when Murillo, Velázquez, El Greco and many others enriched the world with masterpieces. From 10 January for nine weeks only, 68 examples of these rare and remarkable paintings will be on view at the Royal Academy. All are from Spain, many from private collections and foundations and in public view for the first time. It is an exhibition not to be missed. Royal Academy of Arts 10 January-14 March

One-sided

by NIGEL ANDREWS



A scene from 'Breakheart Pass'

A Sense of Loss
Collegiate Theatre, Sunday, January 25

Promised Lands
Collegiate Theatre, Sunday, January 25

Breakheart Pass (A)
Odeon Leicester Square

Great Expectations (U)
Odeon Marble Arch

The Bawdy Adventures of Tom Jones (X)
Empire

Beware of the political filmmaker who claims not to take sides—he is usually the cleverest propagandist of all. Nothing in recent cinema history has seemed to me more sinister than the rise of the pseudo-impartial documentary: the kind of film that lulls you into a belief that you are watching the plain, unvarnished truth about a political situation—with no omniscient narrator, no portentous music, no hammer-blow editing—but which all the while uses the cinema's most insidious weapon, selection, to present a loaded and essentially one-sided view of its subject.

Marcel Ophüls's documentary about Northern Ireland, *A Sense of Loss*, comes to us with the best possible advertisement: it was rejected by both the BBC and Irish TV. Ophüls has fallen foul of television before: his famous documentary on French collaboration during the Second World War, *Le Chagrin Et Le Pitié*, met resistance from TV companies on both sides of the Channel. But although his attempts to take a favourable view of any film that raises a little dust in British broadcasting circles, *A Sense of Loss* is not quite the persecuted masterpiece one had hoped. What worries one about the film is not the fact that it shows sympathy for the IRA cause—a breath of fresh thinking in that area is welcome—but that it does so surreptitiously under the guise of a fair-minded and neutral collage of interview material.

Ophüls himself does the interviewing, and one is so reluctant to think ill of that patient, kindly voice and that balding, bespectacled head that one hesitates to question his fairness. But consider the actual balance of opinion in the film. Ophüls's pro-IRA interviewees, whether you share their beliefs or not, are people of force and intelligence: Bernadette Devlin, Gerry O'Hare, Conor Cruise O'Brien. His anti-IRA interviewees, by contrast, seem deliberately selected for the poor showing they will make: a bibulous Protestant trade leader, a tetchy Anglo-Irish journalist, an Ian Paisley fulminating with ludicrous vehemence from the pulpit. Men of straw, they are blown down by every draught of dry Catholic intelligence that Ophüls artfully places after their appearances. And when Ophüls leaves the camera running after allegedly ending an interview with the Commander of the British Forces, Sir Harry Tuzo, one can see no other motive for the act than to record and ridicule the man's off-guard pleasantries as if they somehow invalidate his public utterances. Someone should write a book on the vocabulary of ridicule in modern political cinema. It is

usually enough simply to show a man playing golf or riding a horse to bring down gales of laughter from a Left-wing audience. Ophüls devotes one interview sequence to a Protestant lady who has lost her husband in a bombing incident. Clearly much too well-heeled for Ophüls's liking, this lady's life style is derided by a long excerpt from one of her and her husband's holiday movies. After the last image of the husband splashing happily in the Mediterranean surf—Ophüls cuts to a picture of Bernadette Devlin walking along an empty, windswept stretch of Irish beach. The holier-than-thou implications of the shot are deafening, and sure enough it is not long before Bernadette is telling us that, although she used to be a keen bather, her commitment to the civil rights movement has long since made her time too valuable for such idle recreation. One would not expect so much critical energy on Ophüls's film did one not feel that it was symptomatic of a 'new and sinister drift in political filmmaking. Since audiences to-day are too sceptical and sophisticated to swallow hard-core propaganda, the new approach has to be quieter and more insidious. An audience is persuaded that it is watching some kind of direct, unprocessed reality, and thereby that it has been granted the freedom to make up its own mind. But that freedom is meaningless if it is given only half the picture. Ophüls's interviewees normally assert that Catholics are discriminated against by the Protestant majority, but the film gives us the evidence for ethnic statement, and all we are finally left with by which to judge a complex political situation is a parade of talking heads of whom we may believe or disbelieve those whom we choose.

Sharing a double-bill with Ophüls's film is Susan Sontag's *Promised Lands*. This feature-length documentary about the Arab-Israeli conflict was filmed in Israel in 1973, has much in common with Ophüls's film: once more there is no narrator, once more the structure is a take-it-or-leave-it collage of individual impressions and opinions, once more the audience is left to make up its own mind about the rights and wrongs of a prolonged and seemingly insoluble political struggle.

This time, however, the distance of the filmmaker has put between herself and her subject is a genuine and constructive one. Sontag refuses to concern herself with who is right and who is wrong in the war—the roots of the conflict go too far back into the past for that. Instead she is concerned to record the effects of war on a people whose natural instincts and talents are for peace. The film's images are consistently striking and memorable: the charred bodies of soldiers killed in action, Jews gathering by the wailing wall, a soldier re-living the horrors of war in a therapy session in a psychiatric hospital—but Sontag's real achievement is to have steered a middle way between propaganda and reportage: to have produced a film that is at once totally personal and totally unprejudiced. *Breakheart Pass* is that rarity,

Wigmore Hall Isser Bushkin

The Russian bass Isser Bushkin, who emigrated to Israel a few years ago and now lives in West Berlin, made his London debut on Wednesday in a recital of Russian song with John Constable as accompanist. He is an experienced performer, a real bass, though more character singer than basse chantante. There was a certain want of distinction in the big Chalkovsky group that formed the first half more than the usual poor little handful of this composer's songs (grateful thanks). The moods, of loneliness, melancholy, rueful, half-sardonic humour were firmly put across, but the manner was a little ungainly. "A heavy tear" is a fine song in Chalkovsky's world-weary vein. Mr. Bushkin produced effective soft singing in "Cradle Song" (a woman's song, surely?) but there was not much sign of real sustained legato. "At the ball" is made of sighs, half-phrases and question marks, but they need to be linked into a coherent musical statement—here, Mr. Bushkin relied too much on words. The approach was better suited to Mussorgsky, to whom the second half was devoted—his realism can take a grain of coarseness, and in any case "A vision" Mr. Bushkin produced his most delicate singing of the evening. His humour is of the broad and genial variety, like character acting in Hollywood films in the old days. Impassivity is seldom a virtue in a Lieder singer, but a wink from this artist registers at the back of the Wigmore Hall like a garage door rolling down. "The beggar" and "The seminarist" were good comic turns, but something was missing. Mussorgsky's original gripping piano writing seemed more to Mr. Constable's taste than Chalkovsky's comparatively conventional but not worthless accompaniments. "Don Juan Serenade" might have been taking place in Wigmore Street on a wet Sunday, but the Mussorgsky "Trepak" was fully vivid.

RONALD CRICHTON

Wood Painting

by B. A. YOUNG

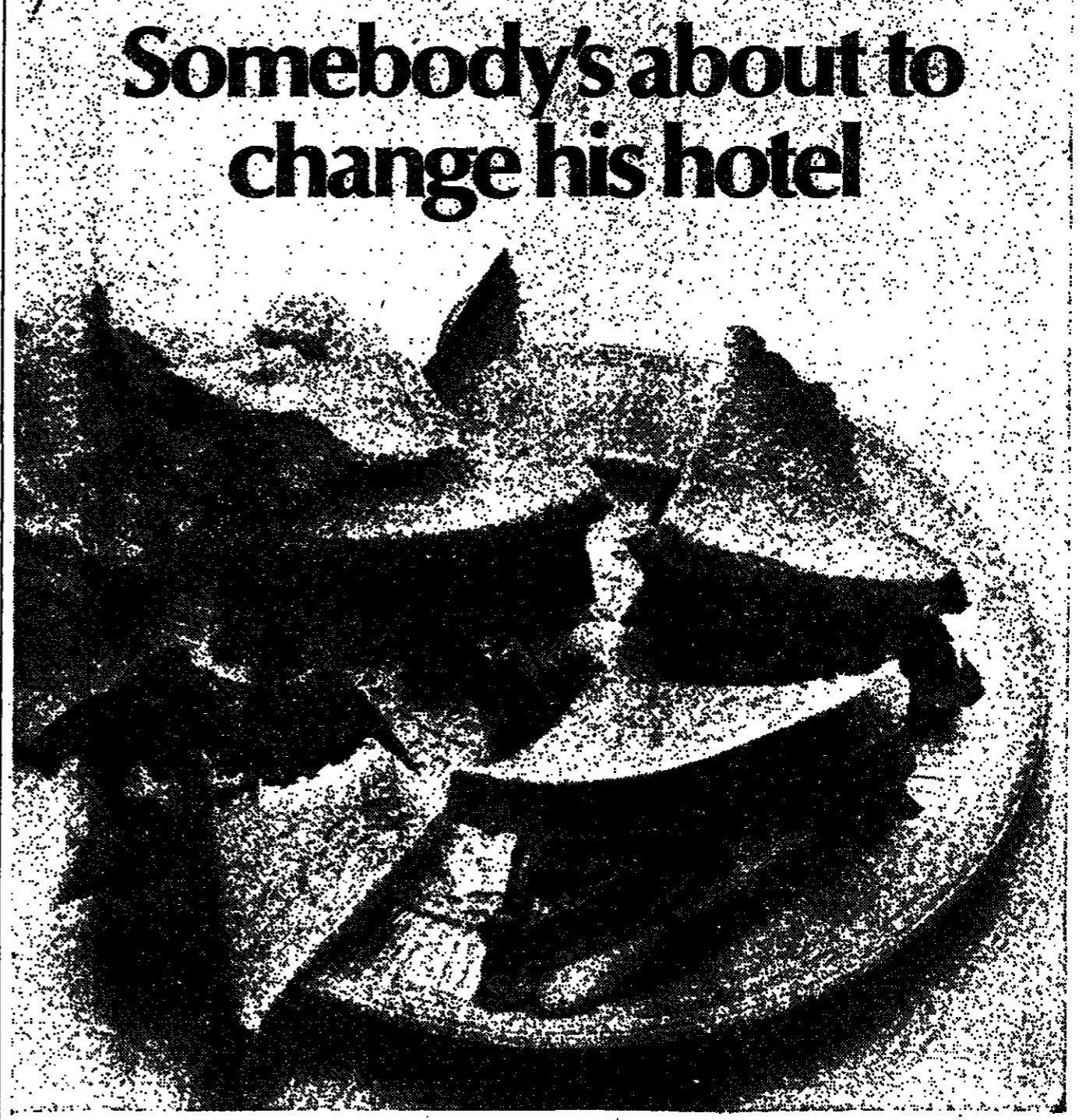
Wood Painting (*Trädmålning*) is the play which Ingmar Bergman later turned into *The Seventh Seal*. It is the last of some two dozen early short pieces, mostly unproduced. The lights go up on a tableau representing a carving in a Swedish country church. The figures comprise a knight and his squire, a village girl, a witch, a blacksmith and his young wife, an actor, a woman with a baby and a well-dressed lady. Bergman has provided them with sufficient background story to account for their association, without offering any complications of plot. The country is ravaged with the plague. The knight and his man are fresh home from the Crusades, and find themselves forbidden to enter their own lands. In the forest they meet a witch, the dramatic ancestor of the witch in Sjöberg's *Krenzi*, on which Bergman was a script-writer. She burnt that very morning, but the intervention of the devil has raised her from the ashes. The blacksmith is looking for his wife, whom he finds in the company of a travelling actor who lately visited their village. So it goes on until, at the moment when the whole company has met, they are summoned to a great dance to be given by a Dread Lord, who is of course Death. It is an effective piece, played in an appropriately pictorial manner by a company full of good names—Maureen O'Brien the pathetic witch, John Turner strong but tender as the blacksmith, Paolo Bonolisotti as the mother. Ron Pember, the knight's squire, who is also the narrator of the tale's progress, and the rest. It is directed, against a plain black curtain with no more than a handful of tree-trunks for scenery, by Frederick Proud, who is responsible in collaboration with Anna Christina Meurling for the translation. (It would be nice if between them they could manage to lose the phrase "in the hot heat of the sun.") Atmospheric lute music is played by Rod Willmott. This is not a Young Vic production, but comes from Mr. Proud's own company, Insight. It is well worth the journey to the New Cut.

Atherton & Perahia

by DOMINIC GILL

Wednesday's BBC Symphony Orchestra concert, conducted by David Atherton and also broadcast live on Radio 3, offered a mixed programme of Stravinsky, Mozart and Rakhmaninov, a breath of classical, neo-classical and late-romantic air, all sweetness and light, and a wonderful antidote in mid-Rhein to a week of Wagnerzeit. The orchestra began on quick, enthusiastic form with Stravinsky's *Divertimento*. *The Fairy's Kiss*, one of the most enchanting works of the late 1920's Apollo period (more varied, more whimsical, than Apollo, if not as tightly drawn), and absurdly neglected—full of rich and subtle moments, affectionate homage to Chalkovsky, rippling Apollo-echoes. The soloist in Mozart's C major piano concerto K503 was Murray Perahia. The few passing imperfections of rhythmic synchronisation in the first movement were a small price to pay for such sensitivity of phrase and attack, and such a wealth of delicate shading. he brought (for numbers principle—include Trevor Howard, Nicky Henson, Arthur Lowe, Terry-Thomas and Georgia Brown. A star presence is exactly what

should have preferred not necessarily a slower tempo, but a slower seeming, tempo; some lingering moments were hurried. Atherton's accompaniment was clean and precise—even once or twice in the slow movement too clean, sweet-clean, lacking somehow in a true sense of Mozartian spread and relaxation. It was not his tempo (a perfectly reasonable quaver of 90) that was too fast—but only that the impulse of this broadcast, most embracing of late Mozart andantes lacked real spaciousness, readiness and space for the sudden fleeting ecstasy, the breath-catching soar of phrase. A pity this: the elements were there, but never fused. Of the rondo, a pretty, lucid reading, without depth. The evening ended with a well-made account of Rakhmaninov's *Symphonic Dances*—resilient, well-tuned, sympathetic, never over-indulgent; sensible restraint, even if there is, all the same, more diabolical undercurrent to Rakhmaninov's *Dies Irae* than Atherton (as for that matter most conductors) ever revealed.



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EUROPEAN NEWS

Callaghan takes issue with Tindemans report

NICHOLAS COLCHISTER

JAMES Callaghan, the monetary union without a fish Foreign Secretary, said today that he had "serious doubts" about the proposal for the poorer member states. He said the European Community would be developed on a "two-tier" basis.

Speaking at the Overseas Club in Hamburg, he said that although the British Government had yet to consider the Tindemans report on European union in depth, he wondered whether the creation of two tiers could actually end in the break-up of the Community.

He told an audience of businessmen and dignitaries that the European Community could "advance rapidly" in the area of economic and

"The Community is firmly established. There is not the slightest possibility of its collapsing."

He cited the emergence of a European foreign policy as one of the EEC's achievements and said that this was a part of a co-ordination reflex that had developed among European statesmen, "that is, an instinctive habit of continuous consultation with each other to find common answers to problems as they arise."

Some of Mr. Tindemans' ideas on European union were parallel to his own, Mr. Callaghan explained, "but he is a federalist and I am not."

He asserted: "You do not

stifle a strong sense of national identity by attempting to submerge it in a wider amorphous loyalty," and he warned that "hasty attempts to discard a sense of national identity might end up by re-creating all the evils of nationalism."

Discussing Mr. Tindemans' "two-tier" approach to European union, Mr. Callaghan said: "The question we must ask is whether the result might be the opposite of what is intended. Would the creation of two tiers make the divisions between the member states deeper than they are now and more likely to be permanent than if we stick to a single tier?"

HAMBURG, Jan. 22

SPANISH STRIKERS GIVING IN

Tough line 'vindicated'

BY ROGER MATTHEWS

MADRID, Jan. 22

MORE WORKERS returned to their jobs in Madrid today, lending weight to Government optimism that the back of the strike wave had been broken. Few officials believe that the disputes and the parallel political challenge were any more than the first phase in a long drawn-out struggle, but they insist that the tough line taken by the Juan Carlos regime had been totally vindicated, albeit at some cost to the nation's economy.

Labour sources admitted that apart from some areas of the city, where solidarity and militancy prevailed, the strikes had been broken. The workers, they said, did not have the cash to remain on strike for more than a fortnight.

Among those to go back to work were some employees of Standard Electric, a subsidiary of UTE, which had been claiming they were still banning overtime and "not co-operating" with management. The construction workers have agreed to a new pay deal, which may have seriously breached the Government's pay code, and there were talks today in several important sectors of the engineering industry, which has been badly hit.

Ministers are meanwhile studying the text of the key policy speech due to be given next week by Prime Minister Carlos Arias Navarro. At tomorrow's Cabinet meeting they will have a chance to suggest amendments and approve its final form. Sources close to the Government say that the likely final form of the speech will still allow generous room for interpretation, especially the section which

is subject to continuing studies by lawyers and will not be clarified in the immediate future. The possibility of the present Cortes (Parliament) being divided into a two-chamber assembly has not been discounted, with the present nominated members forming an upper house, and those newly elected taking the role of the main legislative body.

The Prime Minister will dedicate an important part of his speech to the state of the economy, especially the need of the Government to increase its revenue. This may be achieved by taxation reform, although an essential forerunner would be an extensive improvement in the machinery for collection, which is widely evaded at the moment.

Meanwhile, the former Secretary-General of the mainstream Socialist Party (PSOE) has returned to Madrid after being in exile since the Civil War. Señor Rodolfo López, said at a news conference today that he was here to see whether conditions existed for a full resumption of political activities.

During his 36-year absence he has been superseded by the present leader of the party, Señor Felipe González, and would not comment on the possibility of the old and new wings of the party being formally re-united.

Tentative preparations are also being made for a referendum to be held, probably in the summer, on the question of constitutional reform. This, again, being formally re-united.

BY ANTHONY ROBINSON

ROME, Jan. 22

A WAVE OF buying on the Milan bourse this morning pushed the share prices of leading industrial and other shares higher on a broad front. But the bond prices eased as the Lira reached a 6.5 per cent effective devaluation against the dollar in this inter-bank trading.

Most trading was within the L730/75 to the dollar range compared with yesterday's last official fixing in Italy of L688.75. The Lira/dollar cross rate at Frankfurt worked out at L733.24 compared with yesterday's L702 to give a devaluation of 6.3 per cent. This is the rate which the Bank of Italy takes as being the most indicative rate.

In spite of the pressing technical reasons behind the decision to close the official Italian foreign exchange market, the political effect is that of putting increasing pressure on the Socialist party to accept a formula which will permit an early end to the crisis. But it is becoming increasingly difficult to see any compromise which would not entail a serious loss of face for the Socialists which would inevitably lead to bitter recriminations within the party itself.

The essential conditions for a return to official trading in the Lira are seen here as: firstly, a clear indication of the free market evaluation of a viable Lira exchange rate against other major currencies; secondly, reconstitution of a sufficient reserve cushion from which to intervene if necessary in support of any new party range; and thirdly, the formation of a new foreign exchange market, the Government or at any rate a moderate sector of the party.

It is considered most unlikely, however, that Sig. Moro will accept the Socialist Party's proposal for a Christian Democratic Government independent of the Government, which, although theoretically able to ensure a majority in Parliament, is reportedly meeting strong opposition from the CD rank and file and the powerful Right wing.

Government or at any rate a moderate sector of the party.

Bundesbahn plans huge cuts in track and staff to combat rising losses

GUY HAWTIN

FRANKFURT, Jan. 22

E DEUTSCHE Bundesbahn, Germany's State-owned way, today submitted its own seething report to the West German Government. The Bundesbahn Board is seeking huge cuts in both track and staff to combat mounting losses, despite heavy subsidies which are forecast at about 4,200m. (\$505m.) for 1975.

The Bundesbahn's losses are also seeking approval of the Federal Government to slash its workforce by a third from 390,000 employees to 260,000.

to great enthusiasm for the plan has been displayed by the Government, while the Christian Democratic opposition and the women's trade union — usually bedfellows in normal circumstances — have for some time been orchestrating opposition to it, albeit in relatively muted terms. Indeed, the Bundesbahn's plans have been no great secret.

Presenting the rationalisation plan, Dr. Wolfgang Venzel, the Bundesbahn president, described the aim of the report was to retain "an optimal commercial economic network." The network retained after the cuts already accounted for some 90 per cent. of the Bundesbahn's goods traffic and 93 per cent. of passenger traffic.

It seems unlikely that the Bundesbahn will achieve its targets in full. Federal Transport Minister, Herr Kurt Giesecke, who received the report, described it as "explosive." He said that the Bundesbahn would not get the "ideal" cut-backs it sought, as its programme had to be viewed from the standpoint of the

economy as a whole, as well as transport and regional policy. Herr Dieter Schulte, the CDU transport spokesman, described the programme as "disastrous" and "dangerous for the Bundesbahn. Amputation," he said, could not be regarded as the patent remedy for the Bundesbahn's financial ill-health. However, the CDU's attitude is hardly surprising, since their strength is frequently found in the rural areas, particularly Bavaria, where the heaviest cuts will take place.

The executive of the Gewerkschaft Deutscher Bundesbahnen and Arbeiter, the railwaymen's union, has asked the Government to reject the programme, which could cut the workforce to 260,000 by 1985. The Bundesbahn Board hopes that the reductions, which brought about through natural wastage, although some observers feel that this could cause difficulties.

One problem is that some 300,000 of the labour force are classified as "Beamten" — established public officials — and, as such, are virtually unscakable. As Beamten can only be retired, some people feel that the most of the burden will fall on the least privileged employees.

Be that as it may, something must be done to cut the Bundesbahn's steadily increasing deficits. Over the five years since 1971 it has lost a total of almost DM14.6bn. (£2.75bn.), despite Government subsidies, which in 1974 rose to DM10bn. (£1.85bn.). The federal subsidies for 1975 are expected to be higher.

Schmidt or Saudi Arabia

by Adrian Dicks

BONN, Jan. 22. MR HELMUT SCHMIDT, the German Chancellor, will be an official visit to Saudi Arabia in May, thus setting the seal on the rapidly developing relationship between the two countries.

The Chancellor's acceptance of the Saudi invitation was the latest tangible result so far announced of a two-day visit to Bonn by the Saudi Foreign Minister, Prince Saud.

With the Saudi Minister and German counter-part, Herr Dietrich Genscher, denied there had been any discussion of the controversial oil carrier personnel carriers in the Saudis want to insist today that the worth an estimated \$5m. could not be allowed by the Government's rules on subsidies.

However, the sheer size of the carrier seems certain to lead to calls for an exception to the rule.

Salt talks make 'real progress'

U.S. SECRETARY OF STATE Henry Kissinger and Soviet Communist Party chief Leonid Brezhnev were to-night reported to have achieved "very substantial progress" in two days of talks on strategic arms limitation.

Dr. Kissinger was apparently unable to resolve all the outstanding issues blocking an agreement that would formalise a 1974 interim pact. But one issue, apparently an agreed definition of what constitutes a heavy missile, had been agreed, and would be referred to U.S. and Soviet negotiators in Geneva for final drafting.

The two issues which Dr. Kissinger had hoped to resolve concerned the U.S. subsonic Cruise missile and the Soviet Backfire bomber, on which more negotiation was needed.

Before he came to Moscow, Dr. Kissinger said that he did not expect to complete an agreement here and that it would take two or three months of negotiations after the deadline had been broken and agreements made in general.

Meanwhile, a report in an American paper said that Dr. Kissinger proposed to negotiate that the United States and the Soviet Union give each other limited authority to proceed with new weapons systems. Writing in the Boston Globe, defence expert William Beecher, said: "The Soviet Union would be permitted to develop a modest number of Backfire Bombers perhaps 200 to 300, without counting them against a ceiling of 2,400 strategic weapons agreed to in Vladivostok in 1974. The United States would be permitted to deploy air-launched Cruise missiles, with a range of 1,000 to 2,000 miles (to be negotiated). But each B-52 or B-1 bomber equipped with 12 to 20 such missiles would have to take the place of a multiple warhead ICBM allowed each side."

Reuter

Reuter

Turkey, U.S. to hold new talks

BY METIN MUNIR

ANKARA, Jan. 22

FOREIGN MINISTER Ihsan Sabri Caglayangil is to pay an official visit to Washington next month, the first by a Turkish Cabinet Minister since the Cyprus war, which led to the worst strains in U.S.-American relations since Ankara joined Nato 23 years ago.

Caglayangil's visit is tentatively scheduled between February 11-13, according to well-informed diplomatic sources. Although negotiations on formulating a new defence relationship have been in progress for nearly four months no settlement has been reached.

Turkey shut down the 26 U.S. bases active on its soil last July after U.S. Congress imposed on it an arms embargo as a rebuke for intervening in Cyprus in 1974. Ankara abrogated its defence

treaty with Washington as a further retaliation.

The bases, which include sophisticated eavesdropping installations beamed at the neighbouring Soviet Union, continue to be inactive. The embargo has been partially lifted to allow cash sales of defence articles but not grants.

Turkey has demanded \$1.1bn. in what it calls "risk indemnity" for reopening the bases and a solid assurance that the embargo will not be reimposed as conditions for giving Washington the use of its bases. None has been forthcoming although the Ford Administration is sympathetic to both.

There is unwillingness in Washington to creating a precedent by paying what will amount to rent.

Military matters will dominate the talks between Caglayangil and U.S. Secretary of State Henry Kissinger. But neither Turkish nor U.S. sources here are confident that a dramatic breakthrough will come out of their talks.

Italy site suggested for EEC atom project

By David Curry

BRUSSELS, Jan. 22. THE BRUSSELS Commission has come down in favour of Ispra in Italy as the site for the Community's Joint European Torus (JET) large-scale experimental Thermonuclear fusion rig. However, despite the Commission's insistence that a prolonged study of the technical and social qualifications of the six candidate sites points unequivocally at Ispra, the proposal is likely to meet heavy weather in the Council of Ministers who must now approve the Commission's choice.

The question of siting has already become highly political, with the Italians holding back from giving their blessing to the project until the French centre at Cadarache earned rating equally as good as Ispra.

The British have the added incentive in that the preliminary work on the project has been done at Culham near Oxford while the French centre at Cadarache earned rating equally as good as Ispra.

The four areas investigated by a special working group were ability to satisfy electrical power needs and the costs of increasing the power available; the social environment for staff; safety and materials handling facilities; and general support provisions. Other centres in contention were Jülich and Garching in Germany, and Mol in Belgium.

Dr. Guido Branner, the Commissioner in charge of research, tried to defuse hostility to Ispra before Christmas when he was at pains to highlight the "excellent progress" recorded at Ispra in improving labour relations, but Italy's state of political problems will not have given weight to Ispra's cause in the meantime.

There is little dispute about the merits of the programme itself.

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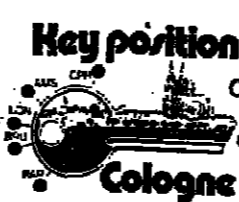
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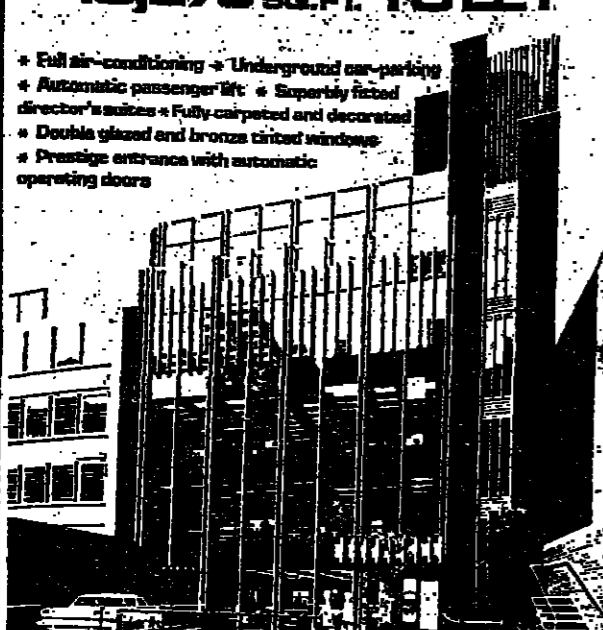
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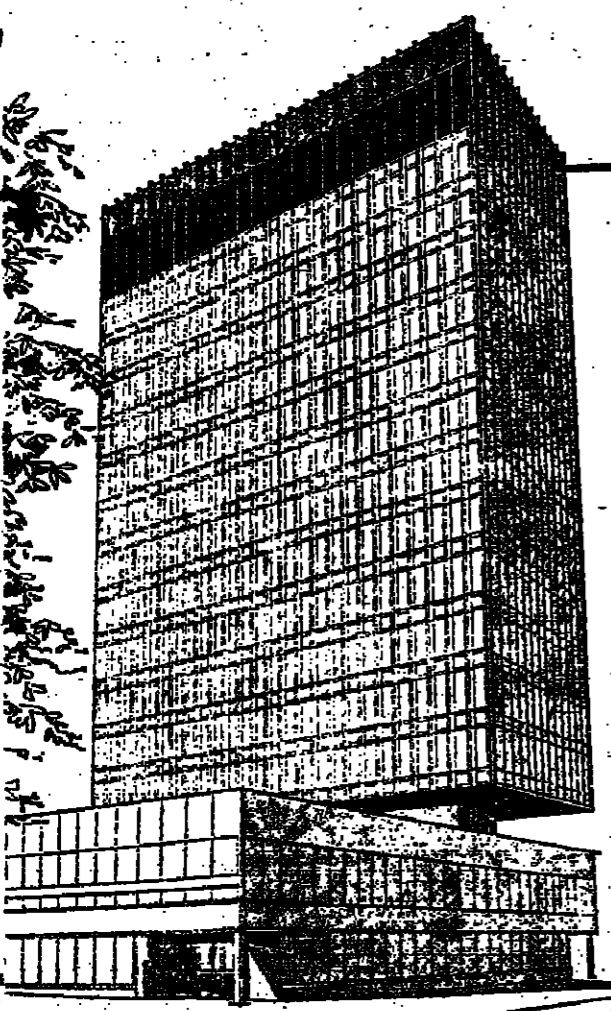
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The Executive's World

Nicholas Leslie looks at how Perkins Engines is coming to grips with

Keeping the parts together

IN THE early months of 1975, Perkins Engines, which claims to be the world's largest manufacturer of high-speed diesel engines, found itself with about 13,000 unfinished engines clogging up the factory floor and tying up capital which must have totalled at least £6.5m.

The problem was that shortages of certain supplies made it impossible for the finishing touches to be put to those machines and the outcome was that customers were experiencing late delivery of orders, which did not do the company much good in terms of customer relations. Another problem was (and remains so, sometimes) that Perkins' parent company, Massey Ferguson, is a fairly substantial user of its subsidiary's diesels and there was occasional friction about whether or not Massey Ferguson was getting priority deliveries — Perkins is adamant that it wasn't and never does.

Perkins appears to have now substantially overcome the difficulties of early 1975, largely due to the installation of a computer-based monitoring system which allows close control of production flow, materials requirements and the order position. Without the system, which is still being developed, there seems to be a real chance that Perkins could have faced a potentially disastrous situation.

For this wasn't the first time that Perkins had been confronted with a build-up of unfinished engines. Back in 1973-74 the Peterborough factory—the main one and the company's headquarters—had a build-up of 4,000 uncompleted machines.

That situation had been largely created by the three-day week, which affected many of Perkins' suppliers.

Recognised

To appreciate the problem which the company finally recognised in early 1974 needed solving by establishing a computerised control system, it is worth looking at how production flows. The company was then making between 1,000 and 1,200 diesel engines per day. Each engine requires up to 1,200 parts and there are approaching 3,000 different types of engines (differing numbers of cylinders up to eight; for vehicle, tractor, industrial or marine use; and a host of different permutations of exhaust manifolds and compressors, for example). Moreover, the average batch size on the production line was, and is, about five.

Under the old system, each engine was logged on a form at five check points in production. Thus, each morning, between 5,000 and 6,000 pieces of paper had to be processed by hand before the production where production stood and how many machines were incomplete and what parts were missing. This meant, of course, that his picture was very historic because it was always the position 24 hours or so previously and there was inadequate information for an early



A Singer data terminal

warning of materials shortages. Perkins makes the core of engine parts—such as the block, head, crank and rods—but the majority are bought from outside suppliers, many of whom are overseas. The parts are categorised either as bulk-buy items or special order products, the latter being those which are required to meet particular demands of customers. It was special order items, which caused much of the supply problem.

However, the problem was recognised and production and inventory control was given priority and the computer system was consequently brought on line towards the end of 1974. This meant that Perkins problems had been considerably exacerbated by the oil crisis.

Diesels suddenly became much more attractive than petrol engines in many applications because their consumption is up to 30 per cent. less, although capital cost is much higher. Demand snowballed and production in the year to October 1975 came out at 261,300 engines, compared with 232,000 the previous year. The former figure disguises the fact that the demand Perkins experienced were closer to 400,000 machines, although it recognised that in many cases customers were probably seeking the same business.

The computer system Perkins has established takes in factory floor terminals made by Singer Business Machines, linked to a Singer model 10 computer and also to an IBM 370/145 computer. At present, there are 23 terminals into which information is fed. Six of the assembly lines are fed details by the engine serial number, engine erection and whether or not it has been stood-down awaiting material or because there is a quality fault. In the test and re-

count of engines passing each give up-to-the-minute facts to customers about order positions in addition to knowing when capacity for a certain type of engine has been reached and thus when to switch to selling other models.

Visual display units (VDUs) are connected to the system for retrieval of information and with these for example, the production manager is now able to establish the exact position of production of a night shift (which ends at 7 am) shortly after the day shift begins at 8 a.m. Thus if any material shortages are beginning to show, production can be switched immediately to another model of engine and a build-up of partly-completed engines can be avoided.

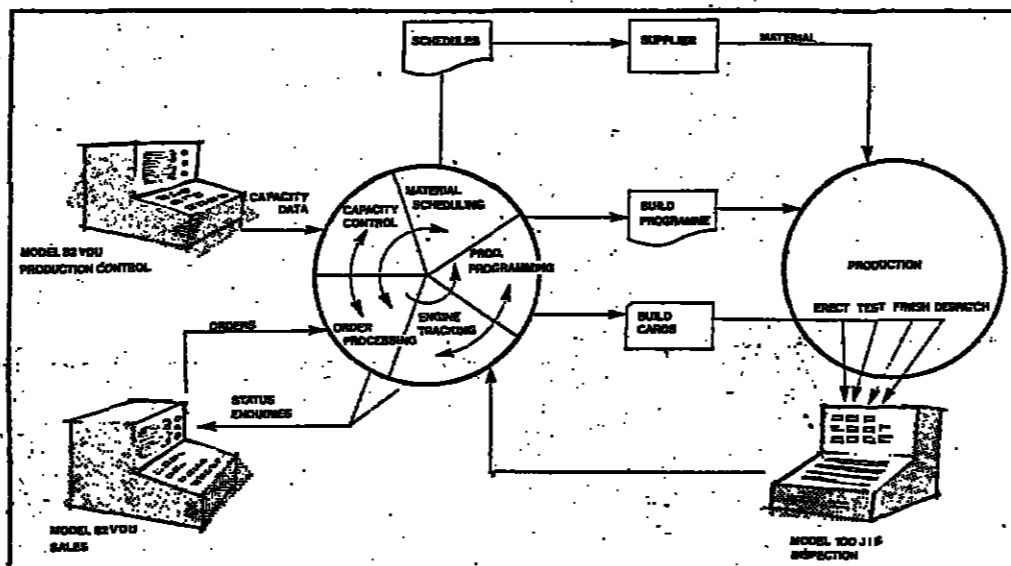
Picture

While the Singer computer provides the basic information, a more detailed picture can be built up through the IBM computer. A monthly, weekly and daily programme on each customer is prepared so that instant checks can be made of what his order is for, the total number of engines required and in which months they are to be delivered and how the production schedule is matched against the order. At the same time, each order and production schedule can be assessed against the total production programme for each type of engine. Thus, for instance, if a customer should want to increase an order, the computer will show how scheduled production compares with total capacity at any given point and what level of leeway is available.

The sales division is linked by VDUs to the system, in addition to the production and logistics (responsible for components supply) divisions. This means that they not only feed in details of sales but can also

Mr. Bob Thomson, director of management services at Perkins who has masterminded the introduction of the computerised production control system, attributes the company's problems not only to factors such as the oil crisis, but also to the subsequent situation whereby demand for diesels exceeded supply.

This had not happened for 20 years or so and the company was clearly unprepared.



The flow line of order control tracking and engine programming

Aiding redundant executives

THE INCREASING rate of redundancies among executives—the number losing their jobs each month in Britain has now reached 10,000—has led to the Professional and Executive Recruitment stepping in with further courses designed to help such executives to find new employment.

The recommendation for the move comes from PER's Advisory Board—which includes representatives from ICI, Shell, GEC, Marks and Spencer and other major British companies. Also being urged is that not only should companies sponsor people facing redundancy on the courses, but that they should also pay the fees of £160 per person.

Each course, catering for up to 20 people, will provide guidance on where to look for suitable jobs, methods of approaching potential employers and interview techniques. They will last five days and have been developed from PER's existing three-day courses—currently being held at the rate of some eight a month in different regions of the country—but they will be considerably more personalised.

Announcing the move yesterday, PER said that, whereas in 1973, 45 per cent. of candidates were unemployed—with the

remainder merely wishing to change their jobs—the percentage had risen to 70 per cent. by the end of 1975.

The deteriorating employment position of executives has just been emphasised in a report by MSL, the management consultants, which said that while the number of executives seeking jobs in the period since mid-1975 had increased steadily, the number of executive job opportunities plummeted by one half. The report also implied that the worst had yet to come in saying that executive redundancies and lay-offs were likely to continue.

The two PER courses are being run in co-operation with the Institute of Personnel Management and the Institute of Marketing. The PER/IPM course will cover the period March 8-12, and will be held in Manchester, while the other will cover March 12-16 and will be located at the Institute of Marketing's headquarters at Moor Hall, Cookham, in Berkshire.

The type of thing executives will learn on the courses is how best to organise themselves for job hunting and how to handle written communications with potential employers. An outline of their potential job market will also be presented.

Executives will be assisted in

re-appraising their careers—even finding out whether or not they have been in the right job—and steered towards the potential of re-training. An important feature also will be the assistance of a psychologist in overcoming the shock or depression of being made redundant and how to resolve the situation and adapt to a new set of circumstances.

In addition to personal counselling, executives on the course will take part in lectures, group discussions and closed-circuit television sessions. Additionally, they will be encouraged to subject one another to tough, searching interviews on the lines that they will probably have to face when they are seeking employment.

Expected benefits of the course include the establishment of a more positive and personal view of the problems of redundancy and how to overcome them, as well as a better appreciation of personal aptitudes and re-assessment of career objectives. Also, of course, they will be expected to form realistic plans of action for seeking a new job.

There is no particular "type" of candidate expected on the courses, given the experience of three-day functions already being run. However, whereas the three-day course attracts largely people who have been out of work for some time, the five-day courses, given that they are to be sponsored by companies, will attract more those people about to or already facing redundancy.

Those on the three-day courses have ranged across the jobs spectrum—sales managers, accountants, company secretaries and even managing directors.

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BIM/IPR CONFERENCE

Initiative needed on outside directors

A CALL FOR Britain's top management to begin appointing outside representatives to company Boards before worker directors became compulsory was called for yesterday by Mr. George Goyder, author of "The Responsible Worker" and former chairman of British International Paper.

This, according to Mr. Goyder, was just one area "ripe for action" by management and he argued that "if we are resolved to pursue justice in business, we can afford to act boldly, for even our mistakes will reveal our purpose and the revelation of a just purpose must be the best form of communication."

Mr. Goyder was speaking at a conference in London on "The Responsible Company" organised by the British Institute of Management and the Institute of Public Relations. He pointed to the consumer movement having become organised with a national network of voluntary consumer agencies, a consumer's association, a minister in the Cabinet and a consumer council headed by Dr. Michael Young.

"Why should management not take the initiative now by asking the latter body to nominate jointly with the Board of directors one or more consumer representatives to the Board of the company?"

Mr. Alex Page, chairman and managing director of the Metal Box Company, turned the discussion towards annual reports and commented: "I believe... that it is an entirely negative attitude to provide solely such information as is required statutorily."

Attitude

Speaking of the "annual Report as a Public Record of Economic Achievement and Social Commitment," he also maintained that "at a time when industry is under attack from many quarters, I think we should take the more positive attitude of welcoming any opportunity to present fully the case for industry (and in particular for private enterprise industry) to as wide a range of people as possible."

"I believe that industry can justify itself not only—or even primarily—in terms of profits to shareholders, but in terms of the economic and social benefit which it provides for the country as a whole."

Nothing what he felt had been a "slow and painful" progress in the broadening of information in reports and accounts, Mr.

Page felt that in contemplating wider economic and social accounting "we must not underestimate the need for continued protection of the shareholder."

Additional information meant for the world at large would inevitably broaden a shareholder's perception of his company's policy, operations and opportunities. This would be all to the good—provided the shareholder's special needs, arising from his commitment of his savings to a company's fortunes, were borne prominently in mind.

Mr. Page's discussion of what should be contained in a company's report and accounts ranged across not only economic achievement but also various aspects of social responsibility and which of these should be highlighted. He also suggested—and in so doing echoed other commentators on companies' responsibilities—that perhaps a separate document either in conjunction with the report and accounts or on a periodical basis should be circulated with a fuller and more detailed record of economic achievement and social commitment.

Discussing how economic achievements should be presented in a report and accounts, Mr. Page welcomed the Sandilands Committee proposals accepted by the profession in principle but with some suggested modifications—and felt that when detailed proposals were finally enunciated by the newly appointed steering committee, "We shall be nearer to having meaningful accounts than we have been since rampant inflation hit us some years ago."

Mr. Page also questioned whether enough information was given to the ever increasing subject of communication and employee participation and, while recognising restrictions arising from the Stock Exchange rule that information likely to affect a share price should not be given to a limited number of the public, suggested there might be a new Company Act provision requiring all information disseminated to employees to be lodged with the Registrar of Companies.

Another speaker, Mr. B. J. A. Hargreaves, director of public affairs for IBM (U.K.), in asking the question "Can business develop a community programme?" warned that in con-

sidering this it was essential to recognise that the truly effective programme within a community must start "not from the company priority, but from the community or national need."

A business had to ask what it could do to find a solution to a community problem. But it also had to recognise that though a company might provide assistance the definition of such a problem had to be made by those with the mandates and statutory authority to be involved in community affairs. Business could not take over, it could merely offer an extension arm to enhance activities of those appointed to carry out the work.

Another point to remember was that not all community projects were social ones. A look at problems facing Britain or the regions might identify other matters suitable for action by companies, such as the increasing compartmenting of national life in the academic, industrial and government streams, which dissipated scarce resources.

Criticism

Mr. Harry Shepherd, controller of publicity for Marks and Spencer, in a paper "Is yours a good firm?" set about demolishing criticism of the company by Lord Allen, general secretary of USDAW, largely by making a case that M and S's policies require a high element of involvement and participation by its staff. Lord Allen's criticism had been that good industrial relations was "not just about free hair-dos, free chiropody, subsidised meals and staff discounts. The central issue is the desire of working people to have some sort of say in the major decisions that affect their working lives."

Quoting examples of how M and S involved its employees, he said that as far back as 20 years ago a "good housekeeping" campaign was launched to cut out some 26m. pieces of paper produced annually. "We used the abilities and good sense of our 50,000 employees to tell us about the work that they were doing that they felt to be unnecessary and unproductive and we began by explaining that nobody would be sacked" (although the company allowed natural wastage to reduce the workforce by some 7,000 to 20,000 over two years).

Nicholas Leslie



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LIVERPOOL: INVASION REPORT

"Because of excellent co-operation from our employees, we have been able to develop a reputation for quality and reliability which is critically important in our industry," says Ralph E. Cross, Jr., chief of Cross International.

Availability of reliable, highly-skilled labour was a key factor in attracting Cross International, special machine toolmakers, to Liverpool's Knowsley Industrial Park, where they've become very successful "invaders."

Other development regions were considered, but the company decided firmly in favour of Merseyside. Understandably. Within 100 miles radius of Liverpool (Europe's largest Atlantic deep-sea container port) over half of Britain's manufactured goods are produced — an area that provides more than half the country's retail purchases.

The decision has paid off. Cross International now claims exports worth more than £1,500,000 to its credit. In 1974 they won the Queen's Award to Industry.

In the words of Personnel Manager Roger Egerton: "Our American parent company is very pleased that we have established ourselves as a profit-making autonomous unit."

"As a Liverpudlian, I'm proud to say we have done well. It's important to companies locating here to know we have good labour relations. Since 1969, when operations began, not a single day has been lost through industrial action."



Ralph E. Cross — Queen's Award Winner

Get detailed information now about the city and the sites of Liverpool. Clip this coupon to your letterhead and post to: David Mowat, Industrial Development Officer, FREEPOST, Liverpool L69 4DS. Tel: 051-227 3296 or Telex 627110 (Ref. DCM)

THE INVASION OF LIVERPOOL

S G de B
profits
slightly
By David Curry

By David Curry
PHOTOGRAPHY

The value of the holdings is estimated 8,345bn. (104m.) ab value while surpluses value elsewhere in it sheet bring the effective value of the companies £256m. B.Frs.20,541bn. (£256m) B.Frs.3,540 (£54) per company values fixed very low level.

In the course of law company raised some £1 (£33.7m.) through a issue, part of what

important companies in the non-ferrous sector. Societe Generale Banque in the financial and traction and electricity, enlarge its share in big operations and a hand-maiden to its expansion and re-
Around half the activity is in the service and it is on this that the exorbitant ambitions are.
The company has a tradition of playing a modest role in the management of its portfolio companies.

growing banking func-
out by the Genera-
money for group
What the recession t
this function, and t
idea of the liquidity
its portfolio compani
to await a more det
results.

The results for 197
dividends paid out
the strength of 1974

Borsig out of the red

By Leslie Colitt

the company has worth of unfilled September 30 of which were for export. C will be fully utilised in year and Brsig expects improvement in picture.

'Koor' to double output

By L. Daniel

TEL AVIV

"KOOR," the multi industrial holding of the Israel Labour intends to double

account for 40 per cent put in 1980 against in the past year. for the period are s£200m., and the rise power from 22,900 t

LLAR BOND ICATIONS

CONVERTIBLES

American Express	41pc	51
Ashland 5pc 1938	
Beatrice Foods	41pc	195
Beatrice Foods	41pc	194
Borden 5pc 1992	

By Robert D. Hines

[illegible]Source: White Weld Securities. Source: Kugel, Pearson

هكذا صم الأصيل

OVERSEAS SHARE MARKETS + FOREIGN EXCHANGES

Again easy in reduced trading: off 2 Lira declines

BY OUR WALL STREET CORRESPONDENT

CARRY-OVER profit-taking was in progress on Wall Street today, again sending prices mildly lower. In further reduced trading, the close again above the worst. The Dow Jones Industrial Average finished 2.76 off at 943.43, after dipping 6.53 to 939.29 in the first half hour. The NYSE Common Index shed another 8 cents to 83.97, although gains of 733 to 676. Trading volume dropped a further 7.05m. Shares to 27.42m, compared with 1 p.m. yesterday.

Continued interest in new commitments absorbed much of the obvious profit-taking, while the market gained some support from a Syrian-supported cease-fire in Lebanon.

In the day's economic news, new orders for durable goods in December were unchanged from the previous month. Retail sales declined slightly last week from the previous week but were up substantially from a year earlier.

Department Stores are discovering that consumers are still in a buying mood even though the December buying season is past. Investors were looking ahead also to a possible new point in prime rate cut on Friday by First National City Bank of New York.

Chrysler lost \$1 to \$14 on 285,500 shares. Bristol-Myers declined \$1 to \$73.50, despite improved profits in the fourth quarter. Monsanto gained \$1 to \$88.00 on higher fourth quarter profits.

Hazeltine was lifted \$1 to \$71.00 on a bullish earnings estimate, while Kraftco climbed \$1 to \$43.00 following improved earnings.

Envtrotech jumped \$2 to \$38.00, following per share new quarter results more than twice that of a year ago. It also expects record sales and earnings for the fiscal year ending March 31.

Western of North America fell \$1 to \$12.00, as reports indicated that Commission investigators are looking into trading of Western stock on the NYSE.

Alean Aluminum slipped \$1 to \$22.00 on an operating loss of \$4.2m in its fourth quarter (profit of \$24m).

Florida Steel lost \$1 to \$21.00, reflecting sharply lower December quarter net.

Robertshaw Controls advanced \$1 to \$16.00 on sharply higher fourth quarter net.

The American Chemical Value Index dipped 0.04 to 92.83, but advances led declines by 373 to 307.

OTHER MARKETS

Canada remains mixed

Canadian Stock Markets continued mixed in moderate trading yesterday.

The Industrial Share Index lost

0.58 to 182.83. Base Metals 0.22 to 73.31. Western Oils 1.76 to 209.04. Banks 1.06 to 240.37. But in further reduced trading, the close again above the worst.

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BRUSSELS—Mixed in a fairly active trading. Steels were firm and Metals were mostly higher. Chemicals were mixed. Oils eased. Holdings finished irregular, while Electricals and Utilities were steady.

U.S. shares were mixed. South African Gold Mines advanced. German shares were slightly easier. Dutch issues lost ground and French stocks were lower.

AMSTERDAM—Mixed close after partial recovery in late trading. Plantations were steady to firmer. Fokker firmed strongly on a press report pointing to its recent good sales position.

Insurances were mixed. Stores little changed, while Banks fell sharply and Shippings eased.

State Loans were firmer. GERMANY—Generally mixed although gains predominated mainly after news of an apparent ceasefire in the Lebanon. Purchases by major Domestic and Foreign Institutions eased the recovery from earlier losses this week.

Siemens and VW each added DM3.80. BMW DM1.50. Deagel DM3 and MAN DM1.

Most major Chemicals were maintained. Motors and Engineering registered losses, with Daimler off DM3.80. BMW DM1.50. Deagel DM3 and MAN DM1.

SWITZERLAND—Slightly lower in fairly active trading. In Yverdon, buying centred on Juvana Beurer which rose

finished slightly firmer on the day, against the dollar at Frs 4.5030, against Frs 4.5090 on Monday.

Gold declined \$1 to close at \$125.138 and it was reported that there were signs of a return of interest in the metal at the present lower levels.

Sterling touched \$2.0140-2.0150 in the early afternoon, but had improved at the close to \$2.0225-2.0235, a fall of 10 points on the day.

Several currencies gained significant ground after the opening of the New York market and there was market speculation of support by the U.S. authorities for European currencies.

Sterling's trade-weighted depreciation, as calculated by the Bank of England, widened to 30.1 per cent from 29.2 per cent, after standing at 30.2 per cent at noon and 30.1 per cent in early dealings.

The dollar's appreciation, as the Morgan Guaranty basis, widened slightly to 2.20 per cent from 2.17 per cent.

Japan's yen, as France was reported to have given further support to the French franc, bringing the total amount of support in the last few days to around \$500m. The French unit

Bank of NSW put on 4 cents to \$2.7 and ASL improved 6 cents to 65 cents.

TOKYO—Market declined heavily, reflecting swollen balance of payments purchases plus a sharp night downturn on Wall Street. Volume 300m. (350m) shares.

Electricals, Textiles, Constructions and Housing turned widely. Steels, Heavy Electricals and Shipbuilding also eased.

Other losses included non-ferrous Metals, Paper-Pulp, Shipbuilding and Food.

JOHANNESBURG—Quiet and little changed although Gold shares were marginally higher. Deeply the lower bullion price dealers noted small buying from London.

"Heavyweights" gained up to 25 cents and rises of 10 to 15 cents were seen among "marginal" and "speculative" issues.

Financial Minings were mixed. Copper was firmer with Messina up 25 cents to R4 following the chairman's AGM statement.

Platinum was steady, while other Metals were firmer. Industrials were quiet.

Indices

NEW YORK

DOW JONES AVERAGES

Stock	Jan. 22	Jan. 21	Jan. 20	Jan. 19
Dow Jones Industrial	943.43	946.19	952.85	959.51
NYSE Composite	83.97	84.05	84.13	84.21
NYSE Value Line	92.83	92.87	92.91	92.95
NYSE Nikkei	15,112.12	15,112.12	15,112.12	15,112.12

STANDARD AND POORS

U.S. STOCK INDICES

Stock	Jan. 22	Jan. 21	Jan. 20	Jan. 19
S&P 500	108.78	108.84	108.90	108.96
S&P Industrial	108.78	108.84	108.90	108.96
S&P Financial	108.78	108.84	108.90	108.96
S&P Utility	108.78	108.84	108.90	108.96

MELBOURNE YIELDS

Jan. 22 Jan. 21 Jan. 20 Jan. 19

Stock	Jan. 22	Jan. 21	Jan. 20	Jan. 19
10% Govt Bond	10.87	10.87	10.87	10.87
10% Govt Bond	10.87	10.87	10.87	10.87
10% Govt Bond	10.87	10.87	10.87	10.87
10% Govt Bond	10.87	10.87	10.87	10.87

FOREIGN EXCHANGE

Jan. 22 Jan. 21 Jan. 20 Jan. 19

Stock	Jan. 22	Jan. 21	Jan. 20	Jan. 19
10% Govt Bond	10.87	10.87	10.87	10.87
10% Govt Bond	10.87	10.87	10.87	10.87
10% Govt Bond	10.87	10.87	10.87	10.87
10% Govt Bond	10.87	10.87	10.87	10.87

OVERSEAS SHARE INFORMATION

NEW YORK

Stock	Jan. 22	Jan. 21	Jan. 20	Jan. 19
Alcoa	15.15	15.15	15.15	15.15
Alcoa	15.15	15.15	15.15	15.15
Alcoa	15.15	15.15	15.15	15.15
Alcoa	15.15	15.15	15.15	15.15

OVERSEAS SHARE INFORMATION

NEW YORK

Stock	Jan. 22	Jan. 21	Jan. 20	Jan. 19
Alcoa	15.15	15.15	15.15	15.15
Alcoa	15.15	15.15	15.15	15.15
Alcoa	15.15	15.15	15.15	15.15
Alcoa	15.15	15.15	15.15	15.15

OVERSEAS SHARE INFORMATION

NEW YORK

Stock	Jan. 22	Jan. 21	Jan. 20	Jan. 19
Alcoa	15.15	15.15	15.15	15.15
Alcoa	15.15	15.15	15.15	15.15
Alcoa	15.15	15.15	15.15	15.15
Alcoa	15.15	15.15	15.15	15.15

OVERSEAS SHARE INFORMATION

NEW YORK

Stock	Jan. 22	Jan. 21	Jan. 20	Jan. 19
Alcoa	15.15	15.15	15.15	15.15
Alcoa	15.15	15.15	15.15	15.15
Alcoa	15.15	15.15	15.15	15.15
Alcoa	15.15	15.15	15.15	15.15

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INSURANCE. PROPERTY. BONDS

REGIONAL MARKETS

[illegible]

FOOD PRICE MOVEMENTS

	Jan. 22	Week ago	Month ago
	£	£	£
ON			
Danish A.1 per tonf	1,030	1,030	955
British A.1 per tonf	950	950	945
High Special per tonf	980	1,010	940
"Polish A.1 per tonf	—	—	—
Buster A.1 per tonf	960	1,010	945
PER (packet)			
½ per 20 lbst	8.05-8.11	8.05-8.11	7.81-7.87
English per cwtf	43.39-47.77	43.39-47.77	43.30-47.77
Salmon salted per cwtf	47.63-49.31	47.63-49.31	46.63-47.35
SEAS			
English cheddar white			
rindless per tonne	—	—	—
½ per tonne	847.77	847.77	824
Some-prod. Standard ...	2.80-2.85	2.55-2.70	2.90-3.10
Large	2.90-3.20	2.90-3.00	2.95-3.40
	Jan. 22	Week ago	Month ago
	p p	p p	p p
cottish killed sides	38.0-40.5	39.0-41.5	38.0-41.0
(ex KRCF)	28.0-29.0	28.0-30.0	28.0-27.0
grey forequarters	—	—	—
grenatine chilled rumps	—	—	—
3			
Znlish	30.0-36.0	32.0-37.5	32.0-36.0
Zn-Is	—	28.5-33.0	32.0-34.0
Z (all weights)	26.0-38.0	25.0-38.0	29.0-30.0
TON			
English ewes	16.0-20.0	16.0-24.0	16.0-20.0
JRY			
runner chickens	21.0-26.0	21.5-26.0	21.5-23.5
London Egg Exchange			
price per 120 eggs	—	—	—
delivers January 24-31.			Delivered.

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OFFSHORE AND OVERSEAS FUNDS

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NOTES

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continued		Mr Net	Cm	Tm	Pr
	0400	6.0	8.3		
+2	0412	6.0	8.3	9.0	
	1.58	2.9	6.2		
	7.57	0.6	8.2	48.4	
	0706	28.5	3.2		
+4	0719	1.7	9.4		7.4
	0.2	6.0	0.4		
	0.67	0.7	5.2	42.0	
-2	015	1.1	8.2	17.6	
	0228	2.1	6.9		
	0449	1.7	10.1		9.1
+1	0.50	2.0	2.8		
	0.77	2.4	6.2	10.2	
	1.13	1.3	12.4		
	0404	11.0	17.7	8.2	
	1.7	1.1	10.1	13.6	
-3	0434	3.3	7.3		
	0433	2.9	7.3	7.3	

(Miscel.)			
-1	8.28	2.9	7.8
-2	12.27	4.9	4.9
-3	24.40	7.9	5.5
-4	47.00	10.9	5.5
-5	71.50	26.1	14.7
-6	96.00	41.9	14.7
-7	11.4	2.2	14.4
-8	12.83	4.9	11.1
-9	12.78	7.9	11.1
-10	84.56	32.4	40.16.2
-11	9.25	2.1	9.5
-12	1.00	2.2	1.3
-13	1.96	4.9	4.9
-14	1.96	8.4	11.8
-15	1.96	8.4	8.2
-16	9.25	12.0	10.0
-17	0.33	3.1	6.4
-18	2.42	2.9	6.3
-19	2.42	6.8	6.7
-20	2.42	6.8	7.0
-21	7.55	11.7	11.8
-22	0.84	1.8	6.8
-23	92.70	2.9	5.2
-24	2.75	1.2	5.4
-25	1.00	1.8	6.8
-26	2.05	2.5	9.5
-27	1.57	5.7	8.1
-28	1.57	5.7	8.1
-29	1.57	4.1	2.3
-30	1.57	4.1	2.3
-31	1.57	1.9	10.2
-32	1.57	1.9	10.2
-33	1.99	3.9	9.4
-34	1.99	3.9	9.4
-35	1.99	3.9	9.4

25.50	19.15	12.0	8.4
25.00	19.17	11.9	8.4
24.50	19.18	11.9	8.4
24.00	19.19	11.9	8.4
23.50	19.20	11.9	8.4
23.00	19.21	11.9	8.4
22.50	19.22	11.9	8.4
22.00	19.23	11.9	8.4
21.50	19.24	11.9	8.4
21.00	19.25	11.9	8.4
20.50	19.26	11.9	8.4
20.00	19.27	11.9	8.4
19.50	19.28	11.9	8.4
19.00	19.29	11.9	8.4
18.50	19.30	11.9	8.4
18.00	19.31	11.9	8.4
17.50	19.32	11.9	8.4
17.00	19.33	11.9	8.4
16.50	19.34	11.9	8.4
16.00	19.35	11.9	8.4
15.50	19.36	11.9	8.4
15.00	19.37	11.9	8.4
14.50	19.38	11.9	8.4
14.00	19.39	11.9	8.4
13.50	19.40	11.9	8.4
13.00	19.41	11.9	8.4
12.50	19.42	11.9	8.4
12.00	19.43	11.9	8.4
11.50	19.44	11.9	8.4
11.00	19.45	11.9	8.4
10.50	19.46	11.9	8.4
10.00	19.47	11.9	8.4
9.50	19.48	11.9	8.4
9.00	19.49	11.9	8.4
8.50	19.50	11.9	8.4
8.00	19.51	11.9	8.4
7.50	19.52	11.9	8.4
7.00	19.53	11.9	8.4
6.50	19.54	11.9	8.4
6.00	19.55	11.9	8.4
5.50	19.56	11.9	8.4
5.00	19.57	11.9	8.4
4.50	19.58	11.9	8.4
4.00	19.59	11.9	8.4
3.50	20.00	11.9	8.4
3.00	20.01	11.9	8.4
2.50	20.02	11.9	8.4
2.00	20.03	11.9	8.4
1.50	20.04	11.9	8.4
1.00	20.05	11.9	8.4
0.50	20.06	11.9	8.4
0.00	20.07	11.9	8.4
-0.50	20.08	11.9	8.4
-1.00	20.09	11.9	8.4
-1.50	20.10	11.9	8.4
-2.00	20.11	11.9	8.4
-2.50	20.12	11.9	8.4
-3.00	20.13	11.9	8.4
-3.50	20.14	11.9	8.4
-4.00	20.15	11.9	8.4
-4.50	20.16	11.9	8.4
-5.00	20.17	11.9	8.4
-5.50	20.18	11.9	8.4
-6.00	20.19	11.9	8.4
-6.50	20.20	11.9	8.4
-7.00	20.21	11.9	8.4
-7.50	20.22	11.9	8.4
-8.00	20.23	11.9	8.4
-8.50	20.24	11.9	8.4
-9.00	20.25	11.9	8.4
-9.50	20.26	11.9	8.4
-10.00	20.27	11.9	8.4
-10.50	20.28	11.9	8.4
-11.00	20.29	11.9	8.4
-11.50	20.30	11.9	8.4
-12.00	20.31	11.9	8.4
-12.50	20.32	11.9	8.4
-13.00	20.33	11.9	8.4
-13.50	20.34	11.9	8.4
-14.00	20.35	11.9	8.4
-14.50	20.36	11.9	8.4
-15.00	20.37	11.9	8.4
-15.50	20.38	11.9	8.4
-16.00	20.39	11.9	8.4
-16.50	20.40	11.9	8.4
-17.00	20.41	11.9	8.4
-17.50	20.42	11.9	8.4
-18.00	20.43	11.9	8.4
-18.50	20.44	11.9	8.4
-19.00	20.45	11.9	8.4
-19.50	20.46	11.9	8.4
-20.00	20.47	11.9	8.4
-20.50	20.48	11.9	8.4
-21.00	20.49	11.9	8.4
-21.50	20.50	11.9	8.4
-22.00	20.51	11.9	8.4
-22.50	20.52	11.9	8.4
-23.00	20.53	11.9	8.4
-23.50</			

4.12	1.7	12.1	7.3
3.52	2.0	12.0	7.3
3.0	2.8	11.9	7.3
2.17	4.5	6.9	4.9
17.84	1.5	10.7	11.5
1.0	1.0	10.7	11.5
0.59	3.0	10.7	6.5
1.56	2.4	10.1	6.5
1.0	2.4	10.1	6.5
3.05	7.4	0.7	12.6
2.0	1.5	10.8	9.8
1.0	1.0	10.8	9.8
2.45	1.8	6.7	12.6
3.12	3.0	4.3	10.2
17.26	2.9	5.8	9.1
12.28	2.3	11.0	4.5
1.07	3.3	11.0	4.5
1.0	3.0	11.0	4.5
17.41	3.9	7.0	6.3
51.00	3.8	3.8	3.8
1.0	2.7	10.1	16.7
2.55	2.7	10.1	16.7
17.85	2.4	9.2	9.3
12.28	2.7	7.8	9.3
1.02	4.0	10.7	6.5
3.52	2.0	10.7	6.5
1.0	4.5	6.5	6.4
17.13	2.0	10.7	6.5
3.5	2.2	10.4	7.1
10.48	3.8	12.4	3.3
12.28	3.8	12.4	3.3
12.49	5.1	3.7	8.3
0.35	0.3	2.4	8.3
76.13	0.3	2.4	8.3
4.42	2.1	14.2	5.2
10.70	1.7	12.1	7.3
10.70	1.7	12.1	7.3
4.0	6.4	2.3	10.5

0.74	2.2	10.9	5.4	7
0.74	2.2	10.9	5.4	7
2.17	1.4	9.8	4.8	4
1.74	1.4	9.8	4.8	4
0.14	1.2	11.3	5.5	5
0.14	1.2	11.3	5.5	5
2.00	1.7	6.2	14.3	3
12.37	3.7	6.4	6.5	5
18.55	2.5	7.4	5.5	5
8.0	1.6	9.3	16.2	2
30.33	3.7	6.4	6.5	5
2.23	1.9	10.7	7.4	7
2.93	1.9	11.3	7.1	7
1.19	2.1	10.1	7.4	6
0.15	2.4	6.1	4.6	6
0.15	2.4	6.1	4.6	6
0.95	2.2	6.2	6.6	9
1.42	2.9	8.4	8.6	9
1.97	2.2	8.1	8.6	9
1.97	2.2	8.1	8.6	9
2.55	3.1	10.3	9	9
100.45	1.2	9.3	11.5	3
2.22	92.6	3.9	15.8	1
9.38	2.6	6.1	8.1	8
1.74	4.7	4.1	8.3	3
0.98	2.5	8.7	7.3	7
1.62	2.4	9.3	7.8	7
0.13	2.3	6.6	6.6	6
4.55	1.4	10.1	2.9	4
0.68	1.9	11.8	2.9	4
1.45	2.2	6.6	6.5	6
2.05	2.9	7.9	7.2	7
1.45	2.2	6.6	6.5	6

913	37	8.8	37
912	37	8.7	37
911	37	8.6	37
910	37	8.5	37
909	37	8.4	37
908	37	8.3	37
907	37	8.2	37
906	37	8.1	37
905	37	8.0	37
904	37	7.9	37
903	37	7.8	37
902	37	7.7	37
901	37	7.6	37
900	37	7.5	37
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897	37	7.2	37
896	37	7.1	37
895	37	7.0	37
894	37	6.9	37
893	37	6.8	37
892	37	6.7	37
891	37	6.6	37
890	37	6.5	37
889	37	6.4	37
888	37	6.3	37
887	37	6.2	37
886	37	6.1	37
885	37	6.0	37
884	37	5.9	37
883	37	5.8	37
882	37	5.7	37
881	37	5.6	37
880	37	5.5	37
879	37	5.4	37
878	37	5.3	37
877	37	5.2	37
876	37	5.1	37
875	37	5.0	37
874	37	4.9	37
873	37	4.8	37
872	37	4.7	37
871	37	4.6	37
870	37	4.5	37
869	37	4.4	37
868	37	4.3	37
867	37	4.2	37
866	37	4.1	37
865	37	4.0	37
864	37	3.9	37
863	37	3.8	37
862	37	3.7	37
861	37	3.6	37
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859	37	3.4	37
858	37	3.3	37
857	37	3.2	37
856	37	3.1	37
855	37	3.0	37
854	37	2.9	37
853	37	2.8	37
852	37	2.7	37
851	37	2.6	37
850	37	2.5	37
849	37	2.4	37
848	37	2.3	37
847	37	2.2	37
846	37	2.1	37
845	37	2.0	37
844	37	1.9	37
843	37	1.8	37
842	37	1.7	37
841	37	1.6	37
840	37	1.5	37
839	37	1.4	37
838	37	1.3	37
837	37	1.2	37
836	37	1.1	37
835	37	1.0	37
834	37	0.9	37
833	37	0.8	37
832	37	0.7	37
831	37	0.6	37
830	37	0.5	37
829	37	0.4	37
828	37	0.3	37
827	37	0.2	37
826	37	0.1	37
825	37	0.0	37
824	37	-0.1	37
823	37	-0.2	37
822	37	-0.3	37
821	37	-0.4	37
820	37	-0.5	37
819	37	-0.6	37
818	37	-0.7	37
817	37	-0.8	37
816	37	-0.9	37
815	37	-1.0	37
814	37	-1.1	37
813	37	-1.2	37
812	37	-1.3	37
811	37	-1.4	37
810	37	-1.5	37
809	37	-1.6	37
808	37	-1.7	37
807	37	-1.8	37
806	37	-1.9	37
805	37	-2.0	37
804	37	-2.1	37
803	37	-2.2	37
802	37	-2.3	37
801	37	-2.4	37
800	37	-2.5	37
799	37	-2.6	37
798	37	-2.7	37
797	37	-2.8	

0.1%	38.2	0.21	
132	2.9	5.9	6.7
0.7%	1.9	9.7	8.2
12.6		3.5	
11.39	4.2	8.0	5.5
13.31	0.8	8.9	73.9
15	62.0	7.9	10.9
11.35	1.4	5.3	20.0
12.7	1.8	9.7	5.6
13.91	2.5	10.9	8.7
1.69	1.5	14.4	6.9
12.4	8.9	4.2	5.6
11.77	5.1	3.8	8.0
17.98	2.2	3.5	22.9
13.04	2.1	10.2	7.1
11.44	1.9	11.7	7.2
19.37	2.2	8.0	8.8
10.4	3.1	4.4	10.5
0.65	92.9	8.0	5.0
52.12	1.3	11.1	9.2

RESULTS

DOUBTS WHETHER CEASEFIRE WILL BE OBSERVED

Lebanon peace formula agreed

BY IHSAN HIJAZI IN BEIRUT AND ROBERT GRAHAM IN DAMASCUS

AGREEMENT on a peace formula for Lebanon—reached under the auspices of Syria and announced yesterday amid uncertainty whether the accompanying ceasefire would be observed.

Yesterday's announcement said that a six-man Higher Military Committee with equal Lebanese, Syrian and Palestinian representation, was to be established "to make the necessary arrangements for ending the fighting, bring life back to normal and supervise the implementation of the accord."

It includes provision for a moderate reform of the Lebanese political system in favour of the Moslems.

Before the new ceasefire was to have come into effect last night at 8 p.m. local time, two Hawker Hunter jets of the Lebanese Air Force went into action against Moslem forces to relieve the pressure on the beleaguered Christian village of Saadiyat south of Beirut and to help facilitate the evacuation of refugees to Lebanon.

In the afternoon, six Israeli Phantom aircraft added to the tension when they violated Lebanese air space. Four flew across the country at high altitudes, while two swept low over Beirut before turning south to Israel on what was clearly a reconnaissance mission.

The peace formula was not immediately endorsed by the Maronite Christian factions involved in the civil war.

Mr. Camille Chamoun, leader of the National Liberals, and Mr. Pierre Gemayel of the National Front, were meeting last night with Father Qassis, head of the Maronite monastic order, to discuss the terms.

The agreement resulted from the mission to Beirut led by Mr. Abdel Halim Khaddam, the Syrian Foreign Minister, who had talks with President Franjeh, Mr. Rashid Karami, the Moslem Premier who submitted his resignation on Sunday, Mr. Kamal Jumblatt, the leader of the Lebanese Left and the Palestine Liberation Organisation.

His acceptance by the President appears to have been dictated by the military situation.

Having taken the mainly Christian town of Shoura on Wednesday, the Moslem and left-wing forces considerably reinforced by Palestinian elements from Syria, were threatening to cut through the Maronite-controlled mountainous centre of Lebanon to Beirut.

Details of the agreement have not been published.

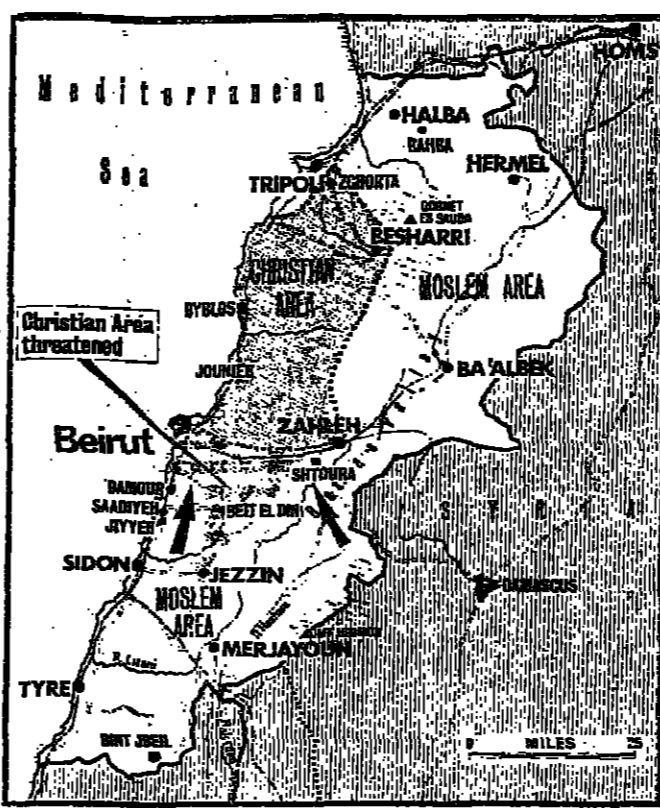
At the heart of it, however, is known to be a proposal for equal representation in the Lebanese Parliament between Christians and Moslems in place of the practice whereby the former have enjoyed a six-to-five majority.

Also envisaged is a considerable strengthening of the position of the Moslem Prime Minister. The Lebanese Left—also with the backing of Syria—has been pressing for a programme of economic and social reform.

The Syrian delegation, which also include Major-General Rikmat Shehadi, Chief of Staff, and Maj-Gen. Nail Jamil Ali, has been working on a loose framework of political proposals. These can be broken down into five or seven points, depending on interpretation.

The extent to which the Syrians will be physically involved in the various sub-committees of the Supreme Military Council and the implementation of a ceasefire is not yet known.

However, if the Syrian proposals are accepted, it would mean a strengthening of Syrian influence in Lebanon.



GKN will take control of German clutch maker

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

GUEST KEEN AND NETTLE. Britain's largest engineering components group, took a further step into the Continental motor industry yesterday with an agreement to buy 22.26m, for 75 per cent, of the West German clutch manufacturer, Sachs.

The deal is widely seen as a significant move into the most buoyant market in the European motor industry. It follows a year in which U.K. car manufacturers' troubles were highlighted by the Government rescue operations for British Leyland and Chrysler and in which several influential reports held out only limited prospects for growth in car production.

The bid for Sachs will give GKN potential motor component sales in West Germany and other Continental markets approaching those it has in the U.K., valued at £240m, in 1974.

Apart from Sachs, whose German-based operations had sales of £180m, in 1974, GKN also has a 80 per cent interest in Uni-Cardan, another West German concern which makes universal joints and propeller shafts.

Mainly through Uni-Cardan, GKN already has sales of £81m, in Germany.

The Sachs acquisition, to be financed locally, has aroused intense interest in West Germany, where the company, noted both for its high technical quality and the fact that Herr Gunter Sachs, former husband of Brigitte Bardot, is a member of the management board.

Preliminary details were announced last November, but this was followed by weeks of legal wrangling among the Sachs family interests, now apparently overcome although the case still has to go before a final appeal court.

The Sachs accounts show world-wide sales of £202m, in 1974, with net after tax earnings for its German interests of £15.1m. This figure, however, excludes profits from foreign subsidiaries, which had a turnover of £13m.

The profits figure is arrived at after £10m depreciation on plant, which would have a smaller figure under U.K. accounting practice.

Both Uni-Cardan and Sachs serve all the large German motor manufacturers, and both also have interests in France. Sachs has 16,000 employees, of whom a majority are employed in its principal subsidiary, Fichtel and Sachs of Schweinfurt. The company has another complex of factories in the Nuremberg area, and a significant Brazilian subsidiary manufacturing clutches and shock absorbers.

One point of interest to British motor component manufacturers is whether GKN will try to export Sachs' expertise in clutch manufacturing back to the U.K., where the Automotive Products has retained a strong grip on the market, in spite of the efforts of the GKN subsidiary Laycock.

Sachs' other interests include motorcycle and moped manufacturing, a sector of the motor industry where the British manufacturing industry has, ironically, virtually collapsed.

GKN said last night that it would retain the present Sachs management and employment level, although it would have representatives on the Board.

Herr Gunter Sachs would remain on the Management Board.

BSC and unions still bargaining over labour cuts

BY LORELIE OSLAGER

THE BRITISH Steel Corporation and trade unions were locked in another lengthy bargaining session last night over the Corporation's proposed £170m, labour economy plan.

The fact that further negotiations were taking place in itself was a concession by the Corporation, which up till now had insisted that there was no point in further talks and given the impression that it would implement its plan unilaterally if the unions did not agree to it.

Before the talks started in the early afternoon, the union negotiators saw Mr. Eric Varley, the Secretary for Industry, and informed him of the proposals they were putting to BSC to modify the plan. But according to BSC, Mr. Varley was not in contact with the Corporation.

In the early evening, some union negotiators were optimistic that BSC would be prepared to meet them on their main demands which is that the main economies should be subject to a plant level negotiations and agreement. But later in the evening the Corporation's attitude was said to have hardened again, particularly on the question whether the reduction in week-end working introduced by BSC earlier this month should be suspended until plant level agreement had been reached.

In principle the unions have agreed to most of BSC's requests for a reduction in manning levels and a reduction in week-end working, but the sticking point remains to what extent plant level resistance should be allowed to upset the plan.

By refusing to suspend the economies introduced so far BSC made it clear that it was not prepared to run many risks.

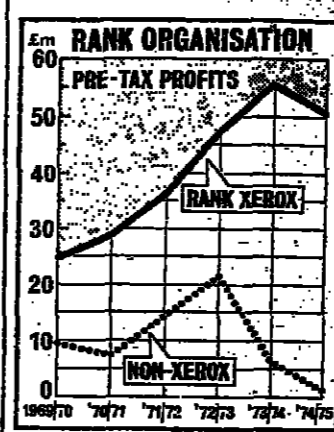
Yesterday's resumption of negotiations follows six weeks of often abrasive haggling between the two sides during which BSC has repeatedly threatened unilaterally to implement its savings plans. The more militant on the union side were freely discussing the possibility of widespread industrial action, perhaps even a national strike. If the Corporation should make good its threats.

Rank has lived up to its promises. Enfranchisement of the "A" shares is to go through at the annual meeting in March.

Mr. Harry Smith is confirmed as chairman designate, and a management overhaul is on the way. With Sir John Davis now committed to retire as chairman in March 1977 a radical change in the management style of Rank is assured, and that will make it much easier to recruit senior executives from outside, notably for the finance director's post which is shortly to be advertised. All this was good enough to leave the "A" shares—which would have been vulnerable to any delays—unchanged at 170p last night.

But the results for 1974-75 are poor. Even Rank Xerox has blotted its growth record, showing a 17 per cent setback in the second half, while Rank's share of RX's pre-tax profits is down 6 per cent, to £5m, for the year. Despite a 27 per cent rise in turnover RX has not been able to recover cost increases, and provisions were made against stock valuations as well.

As for the shares, much depends on whether the Americans will continue to be sellers. Through disposals and dilution U.S. holders, who held 42 per cent of the total share issue last spring, will only get 28 per cent of the votes on enfranchisement. They may be satisfied by events so far at Rank, but might view any major rise from present levels as an opportunity to get out.



Tate and Lyle.

Tate and Lyle's profits for the year to the end of September are £6.7m, up at £47.5m, and the group is hoping for a further improvement in 1975-76. So despite a £1.8m drop in the second half of the year, momentum is being maintained, and the shares rose 6p yesterday to 274p.

However, the current year with a head start as the 1974-75 results include some sizeable special provisions, prospects are not too bright for Xerox Corporation said on Tuesday that recovery was proving slow outside the U.S.

As for the non-Xerox side, profits are marginal and there has been an alarming loss of side to cover expected losses nearly £12m, at Rank Radio International. How much this reflects continuing trading the absence of these items, the losses and how much exceptional write-offs Rank refused to say by a further advance by U.K. yesterday, and the split is crucial for it determines whether RRI should still be regarded as a danger area. But at least Rank is expecting buoyant year as in 1974-75, market share off some improvement at RRI this while shipping—down from Products.

GKN Sachs

The £62m, which spending on its 7 holding in Sachs, comparable to the 20 spending on fixed 1975 and is rough large as its total capture in Europe of five years. And for year's £37m, rights take group debt by figure representing half stockholders' it would be nice to the deal.

Sir Richard Webster to quit Tory HQ

By John Bourne, Lobby Editor

SIR RICHARD WEBSTER is to leave his post as director of organisation at Conservative Central Office, which he has held since 1966.

Officially, his departure is described as due to "his wish to retire from the post" when normally he would have held it until 1978. However, the speed of his departure was causing eyebrows to be raised in Westminster last night.

The announcement by Lord Thorneycroft, the party chairman, stated that following Sir Richard's retirement, "certain responsibilities will be re-allocated within Central Office and an announcement of appointments will be made shortly."

Sir Richard immediately began clearing his desk yesterday and is expected to leave Central Office in the next few days, but his retirement became effective as from yesterday.

Conservative Central Office has no director-general, a post abolished by Mrs. Margaret Thatcher last year, so deputy chairman in the Civil Service would such as Lord Fraser were for many years, and no director of organisation. It only has Lord Thorneycroft and Mr. William Clark, MP, as his deputy chairman.

Approval for Whitbread brewery site plans

BY QUENTIN GUIRDHAM, PROPERTY CORRESPONDENT

WHITBREAD's plan to redevelop its Chiswell Street brewery, on the northern border of the City of London, has been given approval in principle by the Greater London Council Central Area Board. If consent on planning details is gained in time, the plan will be the last major Central London office building to escape the Community Land Scheme.

Approval by the Central Area Board has been given unusually quickly. Whitbread revealed revised plans for the site only at a public exhibition last September.

The office content of the development would be 520,000 square feet. Some 370,000 square feet of this would fall within the GLC's stated limit of 3m. square feet of additional offices 1,000 new jobs "would be provided by the development, reducing the BLC's deep worries about growing unemployment."

Whitbread, which would carry out the development in association with Trafalgar House Investments, said yesterday it was quietly optimistic that the scheme would pass this hurdle and also satisfy the planners on matters of detail.

The developers have made it by the Chase Manhattan Bank, clear that if the scheme does not which seeks premises for its Land Act and Development Land Property Market Page 10

Wilson warns Europe on import controls

BY JOHN BOURNE, LOBBY EDITOR

THE PRIME MINISTER last night warned the EEC that, in the short term, Britain might have to ask its European partners to accept policies which were unwelcome. However, he added, if the policies contributed to the revival of the British economy, Europe would be stronger and all Europe had a vested interest in helping them to succeed.

Weather

U.K. TO-DAY
SHOWERS which will probably fall as snow or sleet later in the night over high ground in S. and S.W. England and S. Wales. S. and S.W. England, S.E. and Channel Is.
Sunny with scattered showers, sleet or snow later. Wind N.W., strong. Max. 6C (43F).
S.W. England and S. Wales. Sunny with showers, snow later. Wind N.W., strong or gale. Max. 7C (45F).
E. England, N. Wales, N.W. England, Lakes, Cent. N. and N.E. England.
Sunny with showers. Snow in places. Wind N.W., strong or gale. Max. 6C (43F).

BUSINESS CENTRES

Y-day Mid-day Y-day Mid-day
Alexandria C 18 81 Manchester R 9 46
Amsterdam X 46 Melbourne S 39 88
Athens S 11 22 Mexico City C 9 49
Barcelona S 11 22 Milan S 12 34
Belmont S 11 22 New York S 12 34
Belgrade F 6 43 Moscow S 8 22
Berlin F 6 43 Athens R 1 31
Birmingham F 11 22 Stockholm F 12 34
Brussels C 9 18 Paris S 1 39
Budapest C 9 18 Paris S 1 39
Cairo S 13 09 Prague C 2 36
Colon C 10 30 Reykjavik C 1 38
Doha S 5 41 San Francisco F 12 34
Edinburgh C 11 22 Singapore S 20 82
Frankfurt R 3 41 Surabaya C 9 46
Glasgow C 9 41 Sydney R 21 70
Helsinki C 9 41 Tehran R 18 30
Hong Kong S 16 62 Tokyo S 1 41
Istanbul S 10 26 Vienna S 1 41
Lisbon S 11 28 Warsaw F 12 34
London C 11 28 Zurich R 4 28
Madrid C 5 48

HOLIDAY RESORTS

Y-day Mid-day Y-day Mid-day
Alderney S 14 37 Jersey C 11 52
Algarve S 16 61 Las Palmas S 21 79
C 11 22 Lucerne S 13 39
Blackpool R 16 61 Mallorca S 14 57
Bournemouth C 11 22 Malaga S 14 57
Cagliari S 16 61 Naples S 24 78
Cape Town S 28 52 Naples S 24 78
Corfu C 11 22 Nice S 13 52
Dover R 10 30 Salzburg R 5 41
Faro S 16 61 Rome S 14 57
Florence S 13 52 Rhodes R 10 59
Funchal S 16 61 Salsburg R 5 41
Gibraltar R 16 61 Tangier R 16 61
Guernsey C 18 46 Tenerife C 10 39
Hamburg S 5 41 Tunis F 14 57
Inverness C 10 30 Venice S 12 34
Isle of Man C 10 30 Venice S 12 34
Isle of Man C 10 30 Venice S 12 34

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Price Commission sees hope

"The only way this chain of events can be broken and the resulting upward pressure on prices removed, is if the depreciation in the value of sterling comes to an end; and that depends upon reducing our rate of inflation to or below that of other industrial countries," he concluded.

The fall in profit margins, revealed in the report, reverses the recovery seen in the summer. On average, category 1 manufacturers were operating at 46.2 per cent of the maximum level allowed under the Price

Code in the third quarter of last year.

This compares with an average of 56.7 per cent in the second quarter of 1975 and 52.4 per cent in the third quarter of 1974.

Though margins in the food and drink sector—where brewers are doing relatively well and many food manufacturers are operating under the safety net provisions of the code—and in the oil sector had improved from the second quarter, margins in all the other main sectors fell. The biggest engineering companies are now operating at 37.1 per cent of their reference levels.

For some distributors the fall was even more marked. While average gross margins were maintained by the biggest distributors at around 94 per cent, of their reference levels, average net margins dropped from 58.7 per cent, in the second quarter, to 45.3 per cent, of their maximum in the third.

The worst hit were the food and drink retailers, whose average net margins plunged from 48.0 per cent, in the third quarter, to 28.6 per cent, of their reference levels in the three months to the end of November.

WHY are we waiting?

A year ago today the Bank of England, at the behest of the Government, acquired Burmah's BP Stock for £179 million.

The 'rescue' transaction was rushed through without adequate negotiation, without the promised shareholders' consent, without observance of the Stock Exchange rules and at a price dictated by the Government to the Company.

The BP holding is now worth £460 million and the Government's profit therefore in excess of a staggering £280 million.

If Burmah had not been stripped of its major asset in this way its financial future would today be assured.

To date the Government has neither justified its insistence on outright purchase of the holding nor its imposition of a totally unfair price.

It is time this combination of inactivity and evasion ceased.

The Government has already tacitly admitted—in its declared policy towards Burmah's North Sea assets—that the acquisition of Burmah's BP Stock was not fairly conducted.

The Government should now right this protracted wrong by reopening the case and determining a fair price for the BP Stock on an arm's length basis.

Justice demands it. The Government's reputation requires it. Burmah's future depends on it. And 180,000 shareholders have waited long enough.

This is one anniversary that can do without "many happy returns".

The Burmah Shareholders Action Group also intends to ensure that the terms proposed for the disposal of the North Sea assets are subject to prior approval of Shareholders in General Meeting.

Burmah Shareholders Action Group, 4 Albany Court Yard, Piccadilly, London